



THE COMMONWEALTH OF MASSACHUSETTS

**DEPARTMENT OF  
TELECOMMUNICATIONS & ENERGY**

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July 26, 2006

Mr. Robert N. Werlin, Esq.  
Keegan Werlin LLP  
265 Franklin Street  
Boston, MA 02110

RE: D.T.E. 06-40 NSTAR Electric Petition for Approval of Merger  
Department's Fifth Set of Information Requests

Dear Mr. Werlin:

Enclosed please find the Department of Telecommunications and Energy's Fifth Set of Information Requests to Boston Edison Company, Cambridge Electric Light Company, Canal Electric Company, and Commonwealth Electric Company in the above-referenced proceeding. Please provide the requested answers by August 9, 2006. If you have any questions on this request, please contact me at (617) 305-3613.

Sincerely,

/s/

Joan Foster Evans  
Hearing Officer

cc. Mary L. Cottrell, Secretary  
Service List  
Staff as assigned

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIFTH SET OF INFORMATION REQUESTS  
D.T.E. 06-40**

Pursuant to 220 C.M.R. § 1.06 (6)(c), the Department of Telecommunications and Energy ("Department") submits to Boston Edison Company ("Boston Edison"), Cambridge Electric Light Company ("Cambridge"), Canal Electric Company ("Canal"), and Commonwealth Electric Company ("Commonwealth") (jointly "NSTAR Electric" or "Companies") the following Information Requests.

**I. Instructions**

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Companies in this proceeding.

1. Each request should be answered in writing on a separate three-hole punched page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Please do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Companies or their witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:  
  
Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If the Companies find that any one of these requests is ambiguous, please notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.

7. If a question refers to an Information Request of another party, please provide that response and answer with information that supplements the previous response.
8. Please serve a copy of the responses on Mary L. Cottrell, Secretary of the Department; also submit two (2) copies of the responses to Joan Foster Evans, Hearing Officer, and one copy each to Paul Osborne, Meera Bhalotra, Jeff Hall and Joseph Passaggio of the Rates and Revenue Requirements Division, and Shashi Parekh of the Electric Power Division.

**II. Information Requests**

- DTE 5-1 Refer to the Companies's response to information request DTE 3-6. Please recalculate the distribution revenue requirement in the D.T.E. 05-85 rate case using a 10.5 percent return on equity.
- DTE 5-2 Refer to page 1 of the Attachment to the Companies' response to information request DTE 3-6. Please explain the difference in the operating revenues on line 7 of this document with the operating revenues appearing on line 7 of Exhibit CAM-CLV-2 in D.T.E. 05-85.
- DTE 5-3 Refer to page 1 of the Attachment of the Companies' response to information request DTE-3-6 and page 1 of the Attachment to the Companies' response to information request DTE-1-21. Please explain the difference between the figures appearing on line 9 of these documents.
- DTE 5-4 Refer to the Companies' response to information request DTE 3-6. Please reconcile the \$8,332,0000 distribution revenue requirement for the 13.8kV facilities with the \$13,421,298 13.8kV revenue requirement appearing on page 1 of Exhibit NSTAR-CLV-7.
- DTE 5-5 Refer to Exhibit NSTAR-CLV-1, at 28, and the Companies' response to information request AG-2-14. NSTAR Electric proposes to transfer the Cambridge 13.8 kV facilities revenue requirement that would have been filed with FERC to be recovered in transmission rates to distribution rates. If instead, NSTAR included in Cambridge's distribution rates the revenue requirement for the 13.8 kV facilities determined using Department precedent for base rates, and removed these same costs associated with the 13.8 kV facilities from Cambridge's transmission rates, then explain in detail how under this scenario the charges to customers and true-up of the transmission rates would occur beginning with the January 1, 2007 rate changes and then the January 1, 2008 rate changes. Provide bill impacts and rate design worksheet similar to those presented in the Companies' response to information request DTE 3-7.
- DTE 5-6 Refer to Exhibit CAM-CLV-2 (D.T.E. 05-85 ) page 7 of 10, page 7 of 10 of the Attachment to the Companies' response to information request DTE-3-6, and Exhibit NSTAR-CLV-7 page 2. In responding to information request DTE 3-6, the Companies used a rate base of \$70,036,000. In computing the revenue deficiency for Cambridge in D.T.E. 05-85, the Companies used a rate base of \$43,4688,000. Is the difference between the two rate bases, \$26,348,000, attributable to the inclusion of the 13.8 kV facilities in the response to DTE 3-6?

If so, please reconcile the \$26,348,000 rate base amount with the \$43,245,011 rate base used on page 2 of Exhibit NSTAR-CLV-7.

- DTE 5-7 Refer to the Companies' responses to information requests DTE 3-9 and AG 3-1. How is the consolidated basic service adder derived in Attachment AG 3-1?
- DTE 5-8 Refer to the Companies' responses to information requests DTE 3-9 and AG 3-1. Provide a copy of Attachment AG 3-1 in Microsoft Excel format with formulas and links included in cells as submitted in the original response, but include formulas and links in cells for the consolidated basic service adder as well.
- DTE 5-9 Refer to the Companies' response to information request DTE 3-7 at Attachments DTE 3-7(a), 3-7(b), and 3-7(c). Provide a copy of these attachments using a consolidated basic service adder derived from currently approved basic service adders as approved in DTE 03-88.
- DTE 5-10 Refer to the Companies' response to information request DTE 3-7 at Attachment DTE 3-7(a). Provide a copy of this attachment calculating the "Change" and "Percent Change" columns of the summary sheet in the same manner as Attachments DTE 3-7(b) and DTE 3-7(c) (sum each column in the "Total Energy Charges" row and provide the percent change by dividing the total Merger Energy costs with the total Pre-Merger energy costs). Provide updated bill impacts using rates reflecting such edits.
- DTE 5-11 Refer to the Companies' responses to information requests DTE 3-7 and DTE 3-8. Please explain in detail what the Companies are seeking approval of related to the basic service adder in this proceeding.
- DTE 5-12 Refer to the Companies' responses to information requests DTE 3-7 and DTE 3-8. Please explain in detail what the Companies are seeking approval of related to the basic service adder for effect on or before January 1, 2007. Please note the filings, cases, proceedings, etc., in which the Companies will be requesting or implementing each change.
- DTE 5-13 Refer to the Companies' responses to information requests DTE 2-9, 2-10, 2-11. The Companies indicate that the characteristics of the Cambridge system are changing, and therefore the 13.8 kV lines are now more appropriately characterized as distribution. However, some of the changes cited by the Companies have not yet happened, and are scheduled to occur in the future (e.g., completion of the new East Cambridge substation and installation of a

115 kV line to the new substation (due 4Q 2006); dissolution of intra-ties to Kendall and converting them to radial circuits (due mid-2007). Please explain why the Department should not wait to approve the reclassification of the 13.8 kV lines until after the Companies complete the changes to the Cambridge system.